RAJYA SABHA

Friday, 18th December, 2009/27, Agrahayana, 1931 (Saka)

The House met at eleven of the clock,

MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

Concession to private parties for construction of godowns and cold storages

*421. SHRI SYED AZEEZ PASHA: Will the Minister of AGRICULTURE be pleased to state:

(a) whether Government is extending any concessions to private parties for construction of storage godowns and cold storages;

(b) if so, the details thereof;

(c) the number of cold storages, with capacity, set up in the country, particularly in Andhra Pradesh at present, State-wise and district-wise;

(d) the assistance provided to States for increasing the existing capacity of cold storages during the last three years and current year, State-wise and district-wise;

(e) whether Government proposes to set up more cold storages in the country, particularly in Andhra Pradesh;

(f) if so, the details thereof; and

(g) the steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (PROF. K.V. THOMAS): (a) to (g) A Statement is laid on the Table of the House.

Statement

(a) Yes, Sir.

(b) to (d) Details of the scheme under which, assistance is provided by Government for construction of storage godowns and cold storages include:

(I) Government of India has formulated a Scheme for construction of godowns for Food Corporation of India. Under the scheme, the godowns would be constructed by private entrepreneurs for which Food Corporation of India would provide guarantee for 5 years for storage charges. Under the Scheme, Food Corporation of India has approved creation of 126.35 lakh tonnes of storage capacity in various States.

(II) Government of India is also implementing a credit-linked back-ended Capital Investment Subsidy Scheme of Construction of Rural Godown with the objective of creating scientific storage capacity with allied facilities in rural areas to meet out various requirements of farmers for storing farm produce, processed farm produce, agricultural inputs, etc. Under this scheme, subsidy up to @ 25% (33% for North East States & SC/ST entrepreneur) is given to different categories

of persons. Since inception of the scheme *i.e,* 2001-02, assistance of Rs.574.46 crores have been provided for construction of 20,962 rural godowns with a capacity of 243.79 lakh Metric Tonnes.

(III) Under National Horticulture Mission scheme, assistance is provided through State Horticulture Mission for construction of cold storages @ 25% (for general areas) and 33.33% (for hilly and tribal areas) of the capital cost of the project. The subsidy for the private sector is credit linked and back-ended. During the period from 2005-06 to 2009-10, financial assistance of Rs. 44.87crore has been given for establishment of 156 cold storages. The State wise number of cold storages established under this scheme is given in the Statement-I *(See* below). In addition, National Horticulture Board (NHB) also provides back-ended capital investment subsidy for creation /modernization/expansion of cold storage @ 25% of the project cost. For North-Eastern Regions, the subsidy is @ 33.33% of the project cost with a cost ceiling of Rs 2.00 crore. Financial assistance of Rs. 604.60 crore has been provided for establishment of 2172 cold storages since inception of the scheme *i.e.,* 1999-2000, The State wise number of cold storages established under this scheme is given in the Statement-II *(See* below).

(IV) The Ministry of Food Processing Industries (MFPI), Government of India has a Plan Scheme for Cold Chain, Value Addition and Preservation Infrastructure during the 11th Plan to provide financial assistance to project proposals received from public/private organizations for cold chain infrastructure development. The scheme envisages financial assistance in the form of grant-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas (75% for North Eastern Region and difficult areas) subject to a maximum of Rs. 10.00 crore. Ministry of Food Processing Industries has approved 10 such project proposals in the first phase.

(V) Agricultural and Processed Food Products Export Development Authority (APEDA) under Ministry of Commerce, provides financial assistance for establishment of common infrastructure facilities such as setting up integrated pack house, pre-cooling, sorting, grading and cold storage facilities. During the period from 2006-07 to 2008-09, assistance has been provided for establishment of 47 cold storages with a capacity of 2440 Metric Tonnes. The State-wise number of cold storages assisted under this scheme is given in the Statement-III *(See* below).

The details of State-wise number of cold storages with capacity including Andhra Pradesh are given in the Statement-IV *(See* below). District-wise data for cold storages in the state of Andhra Pradesh is given in the Statement-V (see below).

(e) to (g) More cold storages can be set up in Public and Private sector through implementation of aforesaid schemes. Under the Scheme of Rashtriya Krishi Vikas Yojana, State Governments can also take up construction of storage godowns and cold storages for agriculture produce. Government has also approved a scheme of Modern Terminal Market Complex which, *inter-alia,* provides for state of art market Infrastructure through private sector. Infrastructure under Terminal Market complex project may include cold storage facilities for perishable produce.

In order to attract private sector, Investment-linked tax incentives have been announced for the business of setting up and operating cold chain and warehousing facilities for storing agricultural produce in the Union Budget 2009-10.

Statement-I

State-wise details of achievement of cold storages under National Horticulture Mission from 2005-06 to 2009-10

(Rs. In lakh)

Sl. No.	State Name	No. of Cold Storage	Financial Assistance
1.	Andhra Pradesh	16	658.25
2.	Bihar	0	0
3.	Chhattisgarh	0	0
4.	Delhi	0	0
5.	Goa	0	0
6.	Gujarat	16	229.50
7.	Haryana	1	9.03
8.	Jharkhand	0	0
9.	Karnataka	3	58.63
10.	Kerala	1	50
11.	Madhya Pradesh	0	0
12.	Maharashtra	17	198.90
13.	Orissa	0	0
14.	Punjab	3	97.37
15.	Rajasthan	6	151.30
16.	Tamil Nadu	0	0
17.	Uttar Pradesh	87	2910.21
18.	West Bengal	6	123.98
	TOTAL	156	4487.17

Statement-II

State-wise details of National Horticulture Board assisted cold storages

Sl.No.	Name of State	No.	Capacity (MT)	Subsidy released Rs in lakh
1	2	3	4	5
1	Punjab	114	353377.7	2753.966
2	Haryana	46	137094.5	1425.563

1	2	3	4	5
3	Tamil Nadu	48	130100.9	1463.671
4	Himachal Pradesh	6	21262	1617.227
5	Uttar Pradesh	946	4873073	29076.88
6	Uttaranchal	3	9818.6	51.961
7	Maharashtra	176	280913.7	2283.53
8	Rajasthan	54	202824.4	1448.63
9	Karnataka	66	322349.8	2500.865
10	Gujarat	245	445105.5	2885.369
11	Orissa	20	90026.55	812.415
12	Madhya Pradesh	74	246253	1508.45
13	Chhattisgarh	31	167994	1092.457
14	West Bengal	78	277859.1	2199.067
15	Andhra Pradesh	89	400691.3	3418.891
16	Assam	20	93160	1029.031
17	Bihar	108	429463.5	3180.8
18	Jharkhand	28	122228.3	995.011
19	Tripura	2	8000	100
20	Delhi	8	17956	338.73
21	Kerala	6	14993.53	127.085
22	Nagaland	1	5000	60
23	Goa	1	3633	36.33
24	Arunanchal Pradesh	1	3983	53.1
25	J&K	1	114	1.14
TOTAL		2172	8657275	60460.16

Statement-III

Details of agricultural and processed food products export development authority assisted State-wise cold storages during 2006-07 to 2008-09

State	No. of Cold Storages	Capacity(MT)
1	2	3
Maharashtra	37	1930
Karnataka	06	310

1	2	3
Andhra Pradesh	01	30
Gujarat	01	100
Punjab	01	40
West Bengal	01	30
TOTAL	47	2440

Statement-IV

State-wise details of cold storages as on 31/12/2008

Sl. No.	State/UT	Total No.	Total Capacity in MTs
1	2	3	4
1.	Andaman & Nicobar Islands (UT)	02	210
2.	Andhra Pradesh	286	875956
3.	Arunachal Pradesh	01	5000
4.	Assam	24	88068
5.	Bihar	260	1439629
6.	Chandigarh (UT)	06	12216
7.	Chhattisgarh	65	286206
8.	Delhi	94	126131
9.	Gujarat	377	1112254
10.	Goa	29	7705
11.	Haryana	243	392121
12.	Himachal Pradesh	18	19858
13.	Jammu & Kashmir	19	42869
14.	Jharkhand	45	170148
15.	Kerala	187	57130
16.	Karnataka	161	421676
17.	Lakshadweep (UT)	01	15
18.	Maharashtra	460	564196
19.	Madhya Pradesh	192	796506
20.	Manipur	00	00
21.	Meghalaya	03	3200

1	2	3	4
22.	Mizoram	00	00
23.	Nagaland	02	6150
24.	Orissa	109	307647
25.	Pondicherry (UT)	03	85
26.	Punjab	420	1337517
27.	Rajasthan	107	314747
28.	Sikkim	00	00
29.	Tamil Nadu	139	236853
30.	Tripura	11	29450
31.	U.P.& Uttaranchal	1591	9060010
32.	West Bengal	531	5949259
	TOTAL	5386	23662812

Statement-V

District-wise number and capacity of cold storages in Andhra Pradesh (As on 31-12-2008)

Sl.No.	District	No. of Cold Storages	Capacity (MT)
1	2	3	4
1	Anantapur	8	21043
2	Chittor	12	23357
3	Cuddappah	1	136
4	East Godavari	17	26450
5	Guntur	72	301777
6	Hyderabad	32	60473
7	Khammam	11	57690
8	Krishna	20	67863
9	Kurnool	4	8297
10	Mahabubnagar	2	5794
11	Medak	2	9080
12	Nalgonda	1	2500
13	Nellore	10	24442
14	Nizamabad	4	13600

1	2	3	4
15	Prakasam	14	62707
16	Rangareddy	14	52218
17	Srikakulam	1	4000
18	Visakhapatnam	32	35793
19	Vizianagaram	7	33665
20	Warangal	12	54779
21	West Godavari	10	10292
	GRAND TOTAL	286	875956

SHRI SYED AZEEZ PASHA: Sir, India is the second largest producer of fruit and vegetables. While moving these fruit and vegetables from farms to retail outlets, it seems that there is wastage of 40 per cent of the country's fruit and vegetables. Now, the Government has formulated a new scheme under the Food Corporation of India. They have also created a capacity of 126 lakh tons of storage capacity. But in spite of taking all these measures, how much wastage is taking place and what are the further steps you are envisaging in the future to save this colossal wastage of fruit and vegetables?

PROF. K.V. THOMAS: Sir, the Government of India is taking various measures to decrease wastage. Various agencies like National Horticulture Mission, the Ministry of Food Processing Industries and APEDA have taken steps to decrease wastage. We are taking up some flagship projects like the Terminal Market Complex projects which now the four States, Maharashtra, Tamil Nadu, Orissa and Bihar have started. Once these projects are found to be operative, we will go to the other States.

SHRI SYED AZEEZ PASHA: Sir, my second supplementary is, there are several Food Corporation of India godowns, but we are not utilising them to the full capacity. And, inspite of having Food Corporation of India godowns, you have permitted several private godowns which do not have even 50 per cent capacity. Why are you not cancelling those godowns which are not being utilised fully? Is it not a national wastage?

PROF. K.V. THOMAS: Sir, earlier, the Food Corporation of India, through CWC and SWC, have taken some private godowns, as the norms prescribed at that time, for a period of seven years. But later we found, about three-four years back, that those private godowns and some other godowns with the CWC and the SWC could not be fully utilised. At that time, I am talking about three or four years back, we stopped taking those private godowns. But now again we find out, especially last year and before that, that we have got a record production of wheat and rice, and also, Sir, in the case of vegetables, the production is increased. So, under a study, we found that we have to

increase our storage capacity. So, the FCI has approved creation of 126.35 lakh tons of storage capacity. In this, we are taking various agencies, not only the private agencies. We are mainly having these facilities through the CWC and SWC. We are also taking the facilities given by State Governments, cooperatives, panchayats and the local people.

SHRI SYED AZEEZ PASHA: Sir...

MR. CHAIRMAN: That is all.

SHRI SYED AZEEZ PASHA: But, Sir, my question was not properly replied because these private godowns are not being utilised even to the 50 per cent of the capacity. Why is the Government wasting so much of money by unnecessarily giving permission to the private godowns? Why don't you cancel the permission for those private godowns which are not fully utilised?

PROF. K.V. THOMAS: Sir, looking at the storage capacity of wheat and rice in the last two or three years, we need more storage capacity, especially in States like Punjab, Haryana, and Orissa. In case of wheat, a large quantity of wheat is stored in open space. After a proper study, the Government has taken a decision that 126.35 lakh tonnes of storage capacity has to be increased. Keeping that in mind, we are giving first preference to the State Governments, the cooperatives. And if needed, Sir, naturally, with the assistance of the CWC and the SWCs, with proper condition, we would like to have assistance of private entrepreneurs also. ...*(Interruptions)*...

MR. CHAIRMAN: Please don't intervene.

प्रो. राम गोपाल यादव : सभापति जी, माननीय मंत्री जी ने जो जवाब दिया है, उसमें मेरा प्रश्न "बी" भाग के दूसरे भाग से संबंधित है। इसमें उन्होंने कहा है कि "...Capital Investment Subsidy Scheme of Construction of Rural Godown with the objective of creating scientific storage capacity with allied facilities in rural areas to meet out various requirements of farmers for storing farm produce, processed farm produce, agricultural inputs, etc. Under this scheme, subsidy up to @ 25 % (33 % for the North East States & SC/ST entrepreneur) is given.."

मैं जानता हूं कि subsidy के आधार पर बड़े पैमाने पर, खास तौर पर उत्तर प्रदेश में फर्रुखाबाद, मैनपुरी, फिरोजाबाद, इटावा जिलों में बहुत बड़े पैमाने पर आलू पैदा होता है और बहुत बड़े पैमाने पर cold storage भी बनाए जाते हैं। यह subsidy देने के बाद और ज्यादा cold storage बनाए गए हैं, लेकिन cold storage बनने के बाद भी किसानों के सामने subsidy पाने की दिक्कत होती है। वे दिल्ली के चक्कर लगाते हैं और यहां जो आपकी संस्थाएं हैं, वे किसी न किसी बहाने से उनको वापस करती रहती हैं। और तमाम तरह की दूसरी तरह की बातें, जो किसान कहते हैं, मैं वे कहना नहीं चाहता हूं, मैं माननीय मंत्री जी से जानना चाहता हूं कि इस तरह के subsidise आधार पर, जो subsidy पाने के लिए entitled हैं, ऐसे कितने claims फर्रुखाबाद, फिरोजाबाद, मैनपुरी और इटावा जिलों से आए? उनमें से कितनों को subsidy नहीं दी गई और यदि नहीं दी गई तो क्यों नहीं दी गई?

PROF. K.V. THOMAS: Sir, there have been some complaints from different States mainly regarding rent. The rent is being fixed by the FCI and that is implemented by the CWC and the SWCs. Similarly, those godowns are managed by the National Horticulture Mission, and it is done through the State Horticulture Mission. On these complaints, we have got the opinion of different legal organisations, and we have constituted a Committee to find out how this can be settled. Sir, we will try to settle it as early as possible.

श्री ललित किशोर चतुर्वेदी : माननीय सभापति जी, यह देखने में आया है कि निजी क्षेत्र के गोदाम और शीत भंडार व्यापारियों के लिए होर्डिंग का एक बहुत बड़ा कारण बनते हैं। किसान को कोई लाभ नहीं होता है। मैं माननीय मंत्री महोदय से इसलिए पूछना चाहता हूं कि सब्सेडाइज करने के बाद जो गोदाम और शीत भंडार निजी क्षेत्र में निर्मित होंगे, उससे किसानों को क्या लाभ होने वाला है? क्या इससे होर्डिंग की प्रवृत्ति को प्रोत्साहन नहीं मिलेगा? उसके द्वारा उपभोक्ता का खुला शोषण नहीं होगा, इसकी आपके पास क्या गारंटी है?

PROF. K.V. THOMAS: Sir, we have set up a task force to study the country's needs of storage facility in great detail. According to the suggestion of the task force, we have taken a decision to construct various storage facilities both in the grain sector as well as in the vegetable and fruits sector. If you look at the loss, especially in vegetables and fruits sector, it is beyond a particular limit. Now what we are doing is, according to the norms given by the task force and by getting the assistance from the Central Government and various agricultural bodies, we have taken this decision. Our primary interest is to get the assistance of the farmers' organisations, cooperatives and the local bodies.

SHRI A. VIJAYARAGHAVAN: Sir, lack of storage facilities in our country is leading to an increase in the prices of essential commodities to some extent. So, naturally, when we are discussing the matter, we have to connect this aspect also. As regards the efforts from the side of the Government, whatever steps are taken by the Government have not yielded expected results. This august House has passed a law in which they were told that private parties will come and improve the situation. But, that has not happened. With regard to States like Kerala, you see these two missions. The National Horticulture Mission has supported finance for the.....

MR. CHAIRMAN: Please stick to the question.

SHRI A. VIJAYARAGHAVAN: There are two things. As far as these two missions from the Government are concerned, for board-assisted cold storage system, the total amount given was a little more than Rs.604 crores. Kerala got only Rs.1.27 crores. With regard to the National Horticulture Mission, Kerala got only Rs.50 lakhs. So, the States have bigger problems. With regard to our marine products, we don't have sufficient storage on sea ports. Similarly, there is a package for Kuttanad. There was an assurance by the Government that they will provide financial assistance for storage facilities to the farmers of Kuttanad region as per the Kuttanad package. So, I would like to know from the hon. Minister: What is the reason for this step-motherly attitude towards my State? Will he consider having a discussion with the State to mitigate this problem?

PROF. K.V. THOMAS: Sir, I am also from Kerala. I was just talking to the hon. Member a few minutes back. I am not bringing any politics into this. The Kerala Government did not bring forward the plans in time. ...*(Interruptions)*... I have got proof of those things. ...*(Interruptions)*... In respect of district level planning, Kerala has completed in 17 districts. But, State level planning has not yet completed. So, the Kerala Government has to take appropriate action in time. And, as these proposals are coming to us, we will take decisions. ...*(Interruptions)*..

MR. CHAIRMAN: No discussion on this. ...*(Interruptions)*...

SHRI A. VIJAYARAGHAVAN: Sir, he has given an assurance.

MR. CHAIRMAN: No discussion on this. ...*(Interruptions)*... No, Mr. Vijayaraghavan. Please. ...*(Interruptions)*...

Feasibility of semester system

*422.MS. SUSHILA TIRIYA: Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) whether it is a fact that teachers of universities do feel that the semester system is not practical and feasible;

(b) if so, the reasons therefor; and

(c) the steps taken in this regard?

THE MINISTER OF HUMAN RESOURCE DEVELOPMENT (SHRI KAPIL SIBAL): (a) to (c) A Statement is laid on the Table of the House.

Statement

(a) and (b) According to some news reports, faculty in some universities have expressed a view that introduction of the semester system would increase the burden of the teacher and have raised concerns on the ability of the examination system to cope with the increase in evaluation load. Concerns have been stated on the difficulties that students admitted late would have in catching with the backlog of academic work.

(c) Based on the advice of experts bodies, Central Government and University Grants Commission (UGC) have encouraged universities to implement academic reform measures including introduction of the semester system, however, universities have autonomy in academic matters. Section 6(2) of the Central Universities Act, 2009, provides for academic reform measures to be introduced in the 16 newly created Central Universities right from their inception. UGC has written to Vice Chancellors of all Universities for introducing a package of academic reforms, including the introduction of the semester system. Universities enjoy autonomy in academic matters and decision to introduce semester system is within the competence of the appropriate authority, namely the Academic Council of each University.